

SB 524 -- FINANCIAL INSTITUTION FEES

SPONSOR: Cunningham (Shull)

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Banking by a vote of 9 to 0. Voted "Do Pass" by the Select Committee on Financial Institutions and Taxation by a vote of 10 to 0.

This bill prohibits any contractual fee charged by a bank, trust company, association, or credit union for overdrawing the balance of a deposit account from being deemed as interest.

PROPONENTS: Supporters say that this bill puts state chartered financial institutions on par with those institutions with federal charters in regards to overdraft fees on deposit accounts.

Testifying for the bill were Senator Cunningham; Missouri Bankers Association; Missouri Independent Bankers Association Inc; and Missouri Credit Union Association.

OPPONENTS: There was no opposition voiced to the committee.